

Audit Task Force
Draft Work Plan (Revision II)

I. **Audit Scope** - Consider the scope of the City Audit relative to all entities that the City controls and/or is responsible; Understand who is being audited separately and why; consider the extent that other entities/enterprises are subject to audit procedures; consider if any recommendations re: scope of audit engagement

II **Engagement Decision Process & Procedures** Consider the overall process and procedures deployed by the City to engage the Auditors; review RFP process, recipients, responders, engagement letters and interview audit firm. Consider any recommendations this process relative to engagement decisions, reviews, approvals and procedures

III **Audit Planning & Field Work** Discuss with City and Audit Firm personnel; review documentation re: timelines, reporting responsibilities, etc. Consider extent of non-audit (accounting) services provided vs. audit services. Consider materiality guidelines and how an overall level of materiality for the City might affect individual audit units. Consider if any recommendations re: audit planning and field work process.

IV **Wrap-Up and Reporting** Review process by which audits are accepted by the City (and others); review process of communication of audit results, legal representations, management representation letters, and the management letter(s); Consider impact of City's organizational structure on this process (BED, School, other enterprise funds or business activities); review process for follow-up (management letter and/or audit adjustments or other communications from Auditors)

V **Other Related Issues**

- Pros and cons of separate audits of school district
- Pros and cons of separate audits of some or all of enterprise funds (perhaps on a rotational basis)
- Audits of pension plans (or other major areas of importance to the City -- consider agreed upon procedures report vs. financial audit)
- Education on the audit process and appropriate role and follow-up by City officials (review & consider role of Board of Finance (Audit Committee) relative to City Council, the Mayor, CAO and other bodies (School Board) relative to Best Practices, State Statutes and the City's Charter.